

STATE OF MAINE
OFFICE OF SECURITIES
121 STATE HOUSE STATION
AUGUSTA, ME 04333

IN RE:

Hope Scharf Tengonciang and
Donald Poulin

CONSENT ORDER

03-005-COR

1. This Consent Order applies only to respondent Donald Poulin ("Poulin"), a Maine resident whose current address is 431 Old Belgrade Road, Augusta, Maine 04330-8061.
2. In 1998 and 1999, Poulin acted as the agent of Respondent Hope Scharf Tengonciang ("Tengonciang") and persuaded some of his family members and acquaintances to enter into due-on-demand promissory notes with Tengonciang.
3. He solicited his brother and sister-in-law, residents of Greenwood, Maine, to invest a total of \$50,000 in a due-on demand promissory note signed by Tengonciang. The due-on-demand promissory note promised a rate of return of 30% per month. Poulin's brother and sister-in-law have not received any of their monies back.
4. He also solicited his cousin, a resident of Augusta, Maine, to invest \$50,000 in a due-on-demand promissory note signed by Tengonciang, representing to her that there were no risks associated with the investment and that the investment was guaranteed. He also represented to her, and the note provided, that she would receive a 30% return per month. She received only \$25,000 back.
5. At all relevant times, the promissory notes were not registered as securities with the Maine Office of Securities (the "Office") under the Revised Maine Securities Act, 32 M.R.S.A. §§ 10101-10713 (the "Act").
6. It is the Office's position that Poulin violated 32 M.R.S.A. §10401 by offering and selling unregistered securities in Maine.
7. At all relevant times, Poulin was not licensed as a sales representative in Maine.
8. It is the Office's position that Poulin violated 32 M.R.S.A. §10301 by transacting business in Maine as an unlicensed sales representative of Tengonciang.

9. Pursuant to 32 M.R.S.A. § 10201(3), in connection with the offer, sale or purchase of any security, a person shall not, directly or indirectly, engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.
10. It is the Office's position that Poulin has, in connection with the offer and sale of securities, engaged in a course of business operating as a fraud or deceit upon other persons in violation of 32 M.R.S.A. § 10201(3).
11. Effective December 31, 2005, the Maine Uniform Securities Act, Title 32, Chapter 135, superseded the Act and governs conduct occurring after December 31, 2005.
12. The Office and Poulin desire an expeditious resolution of this matter.
13. The Office has agreed to the terms of this Consent Order based in part upon information provided by Poulin regarding his conduct and financial condition. If this information is later determined by the Securities Administrator to have been materially inaccurate, the Securities Administrator may declare this Consent Order to be null and void. The Securities Administrator's determination of material inaccuracy shall not be subject to review.
14. Poulin agrees to cooperate fully with the Office by promptly providing information, documents, and testimony, upon reasonable request, in connection with any current or future action taken by the Office of Securities against Tengonciang.
15. Without trial or adjudication of any issue of fact or law, Poulin waives his right to a hearing and to judicial review and consents to the entry of this order.

NOW, THEREFORE, it is ORDERED that Poulin CEASE AND DESIST from violating the Maine Uniform Securities Act, including the prohibitions against securities fraud, offering and selling unregistered securities, and transacting business as an unlicensed sales representative in Maine.

It is further ORDERED that Poulin shall pay \$2,500 in restitution to his brother and sister-in-law and to his cousin, the payment to be made via a check made payable to "Treasurer, State of Maine" and delivered by the date this order is executed to the Office, which shall distribute the funds by paying \$1,666.67 to the brother and sister-in-law and \$833.33 to the cousin.

Poulin hereby waives his right to a hearing and to judicial review and consents to entry of the order set forth above.

Date: April 27, 2006

s/Donald Poulin
Donald Poulin

Ordered by:

Date: May 5, 2006

s/Michael J. Colleran
Michael J. Colleran
Securities Administrator

Reviewed by:

Date: May 5, 2006

s/Bonnie E. Russell
Bonnie E. Russell
Assistant Securities Administrator

Presented by:

Date: May 1, 2006

s/Michael W. Atleson
Michael W. Atleson
Staff Attorney